

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES IN THE EAST)	
LOGAN WATER DISTRICT AND FOR)	
AUTHORITY TO REAMORTIZE EXISTING)	CASE NO. 9440
BOND INDEBTEDNESS)	

O R D E R

On June 5, 1986, East Logan Water District ("East Logan") filed a motion requesting rehearing for the purpose of determining the authority to reamortize existing bond indebtedness. By its Order of June 25, 1986, the Commission granted rehearing on this issue.

ISSUE ON REHEARING

The Commission, in its Order dated May 15, 1986, denied East Logan's reamortization plan on the basis that sufficient information had not been presented. That Order reiterated the statement made by East Logan at the public hearing that the Farmer's Home Administration ("FmHA") will not reamortize the loan until there is adequate cash flow and will not reamortize until the Commission recommends or grants a rate increase.

Subsequent to East Logan's motion for rehearing, FmHA filed copies of the approved reamortization request and the reamortization maturity schedule.

The Commission is of the opinion that the reamortization plan should be approved. The Commission has recalculated the revenue

requirements necessary to allow East Logan a 1.2X Debt Service coverage based upon the average principal and interest payments on the reamortized FmHA bonds due within the next 5 years. Therefore, additional revenues of \$5,388 have been allowed herein.

SUMMARY

The Commission, after consideration of the evidence of record and findings herein, HEREBY ORDERS that:

1. The reamortization plan proposed by East Logan be and hereby is approved.

2. The revenue award granted East Logan in Case No. 9440 is hereby increased by \$5,388.

3. The rates in Appendix A be and they hereby are approved for service rendered by East Logan effective on and after the date of this Order.

4. Within 30 days from the date of this Order, East Logan shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 2nd day of September, 1986.

PUBLIC SERVICE COMMISSION

Richard D. Roman, Jr.
Chairman

W. L. J. L.
Vice Chairman

James M. Williams, Jr.
Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9440 DATED SEPTEMBER 2, 1986

The following rates and charges are prescribed for the customers in the area served by East Logan Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

5/8 x 3/4-Inch Connection

First 2,000 gallons	\$10.25 Minimum Bill
Next 2,000 gallons	4.75 per 1,000 gallons
Next 2,000 gallons	4.45 per 1,000 gallons
Next 4,000 gallons	3.60 per 1,000 gallons
Over 10,000 gallons	1.95 per 1,000 gallons

1-Inch Connection

First 4,000 gallons	\$19.75 Minimum Bill
Next 2,000 gallons	4.45 per 1,000 gallons
Next 4,000 gallons	3.60 per 1,000 gallons
Over 10,000 gallons	1.95 per 1,000 gallons

1 1/2-Inch Connection

First 6,000 gallons	\$28.65 Minimum Bill
Next 4,000 gallons	3.60 per 1,000 gallons
Over 10,000 gallons	1.95 per 1,000 gallons

2-Inch Connection

First 10,000 gallons	\$43.05 Minimum Bill
Over 10,000 gallons	1.95 per 1,000 gallons